

# Fernald Work Force Transition Plan

## ***Work Force Change***

*Number 01-002*

*Prepared by the  
U.S. Department of Energy  
Ohio Field Office  
for the  
Contractor Work Force  
Fernald Site*

*Effective October 1, 2001*

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## **IMPORTANT NOTE**

**The Department of Energy (DOE or the Department) reserves the right to change the terms of this Plan from time to time. There is no guarantee that any future staffing reductions in the work force will provide for separation benefits as set forth herein. There is a very real possibility that implementation of future work force restructuring actions will not include the same type or level of benefits as may have been offered previously.**

**Provisions of this Plan are not intended to replace normal separation benefits to which eligible contractor employees would normally be entitled under their contract. This Plan is offered to supplement those benefits if available funds permit. It is not the intent of the Department of Energy in implementing this Work Force Restructuring Plan to create any private right of action or to create rights in any third parties.**

**This Plan was issued in DRAFT format. The Department posted this DRAFT Fernald Work Force Transition Plan for a period of two weeks on the Fernald Site website for comments by employees and stakeholders. The posting included a summary of changes and informed employees and stakeholders that the provisions of this Plan were intended to describe the annual process to be used for work force restructuring to project completion. The posting also notified employees and stakeholders that a similar notice will be posted prior to implementation of any future substantive change. All comments received by the end of the two-week posting were considered before this final Plan was issued, and they are discussed in Attachment E to this final Plan.**

## **PURPOSE**

This Work Force Transition Plan is submitted in accordance with Section 3161 of the National Defense Authorization Act for Fiscal Year 1993, the "Planning Guidance for Contractor Work Force Restructuring," and DOE Order 350.1, Chapter III, Reduction in Contractor Employment. Defense production ceased at DOE's Fernald Site (Fernald or Site) in 1989. The Site's mission became environmental cleanup of the Site in order to achieve closure by 2010 (with incentives for accelerating that date to 2006), in the context of serious budgetary constraints. DOE completed work force downsizing of the defense mission at Fernald in 1997. The U.S. Department of Energy, Ohio Field Office (DOE-OH) prepared a Work Force Restructuring Plan (An End in Sight) for the Fernald and Mound Sites in 1997. An End in Sight described the Department's preferred strategy for work force changes at Fernald and Mound at that time.

This Plan extensively updates and supplements An End in Sight. As set forth in An End in Sight, as environmental cleanup projects are completed, the workers involved in those projects will lose their jobs if they cannot be retrained or reassigned to available, continuing site work. This Plan lays out the Department's refined strategy for implementation of these future work force changes at the Fernald Site. Decisions on when work force changes are needed will be made by the Department of Energy, in consultation with the DOE contractor at Fernald, Fluor Fernald, Inc. (Fluor Fernald), after considering a variety of factors such as worker skill mix, cleanup schedules, and cost. DOE is responsible for defining the scope of work and schedule for cleanup activities at Fernald and for providing the required funding. Fluor Fernald is responsible for determining the number and skill mix of employees needed to complete the work and for implementing work force restructuring, when necessary. Within these parameters, the decisions on separations of individual employees will be made by Fluor Fernald. Changes to this Plan may also result from future policy or program changes.<sup>1</sup>

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<sup>1</sup> As set forth in Attachment A hereto, the Department has also determined to streamline the administrative procedures by which DOE will continue to oversee and manage Fluor Fernald's implementation of the objectives addressed in An End in Sight at Fernald. The Department reserves the right to modify that administrative process at any time and without notice.

## **SCOPE**

This Plan applies to restructuring activities designed to align the Fluor Fernald employee skill mix with the approved scope of work as defined by DOE. ***This plan supersedes any portions of An End in Sight that may be in conflict with any requirements set forth in this Plan.***

## **FACTORS DRIVING WORK FORCE CHANGE**

Project completion, as described in the prime contract between Fluor Fernald and DOE, is the primary mission at Fernald. The project baseline set out in Fluor's contract with DOE delineates the planned cost and schedule for project completion performance. In support of the baseline, Fluor Fernald uses a Manpower Planning System (MPS) to project the number and skill mix of workers needed to complete project work on the time line set out in the baseline. The Fluor Fernald Senior Management Team (SMT) will use the MPS to help project the shifts in skill mix and the level of staffing to continue to meet or exceed the baseline through project completion. As the site progresses toward completion, workers will leave the project voluntarily or involuntarily.

Fluor Fernald may reassign workers with needed skills to other site projects, or retrain workers where practical to obtain needed skills for other projects, so as to make beneficial use of the skills and experience of incumbent employees when feasible. Changes in the work force may also result from reduced budgets that require the redefinition of projects or the use of more effective ways to perform work, such as outsourcing or privatization.

Fluor Fernald's objectives for outsourcing work include providing avenues to move site employees for longer-term employment opportunities after project completion, improving productivity, avoiding capital expenditure, or gaining expertise not available at the site.

Subject to the limitations set forth herein, augmented staffing arrangements will be used in implementing work force restructuring. Short-term workload requirements will be met using augmented staffing arrangements, regardless of whether or not the corresponding Fluor Fernald job classifications will have been voluntarily or involuntarily reduced prior to the need for augmented staff, to meet the varying needs of a project as planned in the baseline. In addition, vacancies created by departing Long Term Disability (LTD) employees in conjunction with a VSP will be addressed using augmented staff to meet staffing requirements as planned in the baseline.

## **WORK FORCE CHANGE PROCESS**

The project baseline required by the current prime contract between the DOE and Fluor Fernald addresses the scope of work required for completion of the Fernald project. However, Congressional or Department of Energy action may dictate changes in priorities or projects. Any change may affect the size and skill mix of the work force. After analysis of the project schedules and budgets, the SMT will use the MPS to help identify necessary changes to the number and skill mix of the work force. Approximately every six months, Fluor Fernald will forecast changes to skill mix requirements and staffing levels, as well as the number of current employees in each skill mix category, in order to meet the performance requirements described in the baseline.

Based on this projection, the SMT will determine the skill areas that need to decrease within the next six to twelve months to efficiently align work force requirements with the planned work. These areas will be designated as the targets for reduction in force. This information will be communicated to the work force so individual career planning can begin in advance of the need to change the work force. When Fluor Fernald recommends an involuntary separation of more than 100 employees, DOE will provide stakeholders with notice and the opportunity to submit comments.

The SMT consists of the following Fluor Fernald personnel: the Fluor Fernald President, the Executive Project Director, the Senior Project Director, the Administration Program Director, and the Environmental Safety, Health and Quality Program Director, acting in consultation with their legal advisors. A member of the SMT may delegate his or her duties only with prior approval of the Fluor Fernald President. The Fluor Fernald President may reconstitute the SMT as may be appropriate. Other senior Fluor Fernald and teaming subcontractor company management and personnel may provide input and counsel as required with the approval of the Fluor Fernald President.

## ***PREFERRED STRATEGY FOR WORKER TRANSITION: VOLUNTARY TRANSITION OF WORKERS***

When it becomes necessary to adjust the size and skill mix of the workforce to be consistent with MPS planning projections for the next six to twelve months, Fluor Fernald intends to encourage a voluntary transition by opening a targeted Voluntary Separation Program (VSP) on a regularly recurring basis based on manpower projections. Fluor Fernald will notify DOE-OH of its intent to open a VSP. Whenever sufficient funding is available, the VSP will include program savings participation payments to separating employees in order to accelerate their voluntary departure early in the fiscal year.

In addition to employees in identified job classifications, the VSP will be offered to employees who are, or will become, eligible to retire during the VSP open window, regardless of job classification. These employees will be entitled to participate in the VSP, including the program savings participation, along with their retirement, as long as management approves their departure with the understanding that either (1) the position can be eliminated, i.e. not backfilled by new hire or staff augmentation, or (2) an employee in an identified classification can fill the position rather than take the VSP, without the second employee's current position being backfilled in any manner, or (3) an employee not in an identified classification can fill the position without that employee's current position being backfilled in any manner. The VSP also will be offered to employees currently on Long Term Disability, regardless of skill mix classification.

Aggressive skill mix and manpower planning by Fluor Fernald will provide each employee with very clear indicators, by skill category, about where future reductions are projected to take place as the project progresses toward completion. Fluor Fernald will implement voluntary separation programs as necessary to address the goals of cost-effective workforce transition and reliance on voluntary separations.

The VSP will define ground rules for equal access to this program for all workers in targeted skill categories and assure open communication about the program throughout the project. Any voluntary separation program for represented employees must conform to the requirements of the relevant collective bargaining agreements as they relate to terms and conditions of employment for individual workers and any applicable collective bargaining obligations. Fluor Fernald will implement its transition program through this Plan and its collective bargaining agreements with its represented employees.

Employees whose applications for voluntary separation have been approved will be eligible for certain transition benefits in return for their agreement to resign on an agreed date and to execute a General Release and Waiver Agreement (GRW Agreement). (See Attachment C, sample papers for VSP.) In each proposed VSP, employees will have the opportunity to take at least 45 days to review and consider the GRW Agreement and may withdraw their application at any time during the review period. Employees who sign the GRW Agreement and resign may rescind their application for voluntary separation and resignation any time up to the close of business on the seventh calendar day after the execution date. They will remain employees and will not receive the VSP incentives, but could become subject to involuntary separation.

If an employee refuses to sign the GRW Agreement on the agreed date of resignation, Fluor Fernald shall deem the application to be voluntarily withdrawn and the employee will remain employed. However, if the employee

does elect to separate after refusing to sign the GRW Agreement, Fluor Fernald will deem the separation to be a voluntary resignation. Under such circumstances, no transition benefits will be paid to the employee.

Employees participating in a VSP will receive their normal transition benefit, outplacement services, and displaced worker medical benefits, as discussed below. In addition, eligible employees whose applications are accepted can receive an additional Program Savings Participation Payment (PSPP) by volunteering to separate early in the VSP window. The PSPP will be equivalent to a percentage of the employee's normal transition benefit (or severance payment). The earlier the employee leaves, the higher the percentage the PSPP will represent. In all cases, the percentage will be implemented so as to provide employees at least 45 days to review the GRW Agreement. Details will be included in the VSP package for each employee. Employees who are eligible to retire will, if their application for the VSP is accepted, be eligible to receive VSP separation benefits, PSPP benefits (depending on departure date) and vested retirement benefits.

## **INVOLUNTARY SEPARATION IMPLEMENTATION**

If voluntary measures are not sufficient to achieve the necessary changes in the work force, Fluor Fernald will proceed with an Involuntary Separation Program (ISP) after revising manpower planning to reflect voluntary reductions that have already occurred. After completion of a VSP, any further work force restructuring at Fernald will be accomplished through involuntary separations as needed through the balance of the fiscal year to achieve any further necessary reductions. Fluor will implement any approved involuntary separation according to its human resource policies. Fluor Fernald must also prepare appropriate legal documentation and meet reporting requirements specified under a variety of laws and regulations. The applicable laws include the National Labor Relations Act (NLRA), the Employee Retirement Income Security Act (ERISA), the Age Discrimination in Employment Act (ADEA), and the Older Workers Benefits Protection Act (OWBPA). Each worker will receive notice consistent with procedures and with other laws and regulations such as the Worker Adjustment and Retraining Notification (WARN) announcement, if appropriate.

Based upon employees' evaluations and other objective and neutral criteria, Fluor Fernald will prepare a Functional Ranking Report and select employees for involuntary separation. The contractor will identify bargaining unit positions for involuntary reduction in accordance with the applicable collective bargaining agreement and salaried positions in accordance with the Functional Ranking Report and manpower planning projections for relevant job classifications. Personnel ranking low on the Function Ranking Report are at greatest risk of involuntary separation. The SMT compiles the list of personnel to be involuntarily reduced by job classification for the relevant function and submits the list to the function manager. The function manager reviews the list of personnel to be involuntarily reduced and reviews any concerns with the SMT. The Human Resource department will complete an Affirmative Action/Equal Employment Opportunity review of the list of personnel to be involuntarily reduced and will share the results of the review with the SMT. The SMT reserves the right to modify the list to maintain a diverse workforce.

Represented workers will receive severance under terms and conditions of their respective collective bargaining agreements. Salaried employees will receive severance in accordance with applicable human resource policy. (Sample papers for an ISP are included in Attachment D.)

Under Section 3161, the DOE is responsible for minimizing the impact of work force change on workers employed at DOE defense nuclear facilities, such as Fernald. Under Section 3161, DOE provides additional benefits for involuntarily separating employees, as set out in this Plan. Benefits under the Plan are intended to supplement other Federal, state, or local government assistance programs available to involuntarily separated workers as they seek new employment. Workers separated "for cause" are not eligible for Plan benefits. All

Plan benefits are administered by the Department through Fluor Fernald, and workers should apply for any Plan benefits through their contractor human resource program office.

Thus, after their separation dates, and in addition to their severance pay, workers will then have available certain Plan benefits, subject to the following conditions:

<i>Eligibility and Scope of Plan Benefits For Involuntarily Separated Workers</i>		
	<u><i>All workers</i></u>	<u><i>"Cold War Warriors"</i></u>
<i>Displaced Worker Medical Benefits</i>	Yes	Yes
<i>Outplacement services</i>	Yes	Yes
<i>Relocation assistance</i>	No	Yes
<i>Education and training assistance</i>	No	Yes
<i>Preference-in-hiring</i>	No	Yes
<i>Construction worker benefit</i>	No	Yes

*The Displaced Worker Benefit Program* makes sure all former workers, who were eligible for medical benefits before their separation and do not otherwise qualify for medical insurance coverage, are eligible for continued medical plan coverage. In the first year after a worker's separation, the contractor will continue to pay its share of the former worker's medical premium costs at the active employee contribution rate. In the second year, the former worker will pay half of the Consolidated Omnibus Budget and Reconciliation Act (COBRA) rate. The COBRA rate is 102% of the full cost of coverage, including both employer and employee contributions. In the third year and thereafter, the former worker will pay the entire COBRA rate. If medical plan coverage is available through a new employer's plan or a spouse's plan (regardless if enrolled), former workers are not eligible for this benefit. If former workers are eligible for medical coverage through retirement programs or Medicare, they cannot receive this benefit.

Alternatively, a former employee may elect to continue medical coverage under COBRA provisions. However, a former employee who elects to continue medical coverage under COBRA provisions must pay the full COBRA rate immediately upon separation.

*Outplacement services* provide former employees with access to skill assessments, workshops, resource libraries, and automated job listings such as the Job Opportunity Bulletin Board System (JOBBS) of the Department of Energy. These services are available to all involuntarily separated workers for one year after their separation date.

Some Plan benefits are restricted in their availability to employees who worked at a defense nuclear facility on or before September 27, 1991, and continued to work full time (or regular part-time) at a defense nuclear facility from that date until being involuntarily separated without a break in service, as set out in further detail in Attachment D. Only such "Cold War Warriors" are eligible for relocation assistance, education and training assistance, a preference-in-hiring, and, where applicable, a construction worker benefit subject to the conditions outlined below.

*Relocation assistance* reimburses some expenses when a worker obtains a new job at another Department of Energy site. This assistance is available only if a worker does not qualify for relocation assistance under the new hiring company's policies. He or she may file a reimbursement claim for actual and reasonable expenses, up to \$3,000. Such expenses include personal transportation to the new job site, movement of household goods, and temporary living accommodations. This assistance is available only to involuntarily separated "Cold War Warriors" for the first year after their separation date. Claims must meet the criteria under the Internal Revenue Service regulations concerning minimum moving and commuting distances to the new job.

*Education and training assistance* for separated employees provides money for either job-specific training ("training programs") or degree programs ("education programs"). The assistance covers tuition, course materials, and other normal educational expenses. There is a limit of \$5,000 total for each worker from the two programs together. This assistance is available only to involuntarily separated "Cold War Warriors," who may apply for this benefit up to one year after their actual separation date. The Department's financial assistance ends two years from the start of the worker's education or training program. Each worker is then responsible for the remaining costs of his or her program. Workers who used education and training assistance under previous Work Force Restructuring Plans may apply for additional assistance under this Plan as long as the total cost of the previous assistance and the new request does not exceed the dollar limits of this Plan.

*The Section 3161 Preference-in-Hiring* provision gives certain workers a preference in obtaining a new job with the Department's contractors at the current site or other sites across the country. The preference is a lifetime benefit for involuntarily separated "Cold War Warriors." In order to be eligible for the preference, workers must complete the Preference-in-Hiring Eligibility form included in Attachment D, and provide it to the Fluor Fernald human resources department. Fluor Fernald will assure that the preference and other information is put into the DOE's Job Opportunity Bulletin Board System (JOBBS) and that the system reflects the status of each worker who qualifies for the preference. Those workers who want to maintain their preference must return a new form every two years to the site's contractor human resources department. The preference does not override other preferences provided under law, regulation, executive order, or collective bargaining agreements. Consistent with applicable Departmental guidance, DOE-OH oversees implementation of the Section 3161 Preference-In-Hiring. Fluor Fernald will maintain a human resource policy ensuring the consistent use of the Section 3161 Preference-In-Hiring in its employment decisions, including policies dealing with multiple applications for the same job. The process of maintaining and exercising the rehiring preference will be thoroughly discussed during the employee's exit interview.

Fluor Fernald will assure that the Section 3161 Preference-in-Hiring information is included on the Department of Energy's Job Opportunity Bulletin Board System (JOBBS) for nationwide distribution. Fluor Fernald will also provide, quarterly, to the DOE OH a list of site workers using their Section 3161 Preference-in-Hiring, as well as successful placements at other Department of Energy sites.

*A construction worker benefit* provides a one-time payment to certain construction workers who involuntarily lose their jobs on DOE work. Workers must qualify under the Job Attachment Test set out in Attachment B. If qualified, a worker may apply for a one-time payment, based on the former employer's established separation pay benefit. The payment will not exceed 6-weeks base pay. Workers who accept the payment may not work at a DOE facility for a period equal to the hours represented by the separation payment unless the worker receives explicit approval from the DOE Contracting Officer and makes a pro-rated repayment of the net benefit.

Additionally, in some situations the contractor may request *expanded job placement services* to market the unique skills for "Cold War Warriors" who lose their jobs and who elect to participate. The Department's approval for such expanded job placement services for individual "Cold War Warriors" will depend on the skills of the workers involved and the local economic conditions at the time of actual work force change, including the prospects for reemployment in the local area. This additional benefit would be available until the "Cold War Warrior" accepts a new job, but no longer than one year from his or her separation date.

After receiving DOE approval, the relevant manager of the contractor then carries out the involuntary reduction by personally delivering the involuntary reduction documents to the affected employee at the designated time. The manager shall conduct an *exit interview* that includes: a) distribution and explanation of all documents required for involuntary separation and eligibility for Plan benefits; b) a comprehensive explanation of the right to a Section 3161 Preference-in-Hiring, if meeting the eligibility requirements, and the requirements for maintaining eligibility; and, c) a Fluor Fernald human resource program point-of-contact to administer the Plan benefits.



## ATTACHMENT A

### ADMINISTRATIVE PROCEDURES FOR FERNALD ACCELERATED WFR IMPLEMENTATION

1. As necessary, Fluor Fernald will notify DOE FEMP and DOE-OH of its intent to open a VSP as described herein. DOE-OH then will provide notification to DOE HQ through EM, MA, GC, CFO, and WT of the pending VSP. The notification will include an explanation of the justification for the work force restructuring and may be transmitted electronically or by telefax to the appropriate contact persons in the HQ offices named previously. If, within 5 business days of receipt of the notification, WT does not respond to DOE-OH regarding the notice, the VSP will open.
2. Subsequently, should the VSP not result in the necessary reductions, Fluor Fernald will notify DOE FEMP and DOE-OH of its intent to conduct an ISP and will provide in that notice the numbers and demographic characteristics of the particular contractor employees involved. DOE-OH will provide electronic or telefax notification to DOE HQ through EM, MA, GC, CFO, and WT of the pending ISP and wait 10 business days before proceeding to implement the ISP. If it is necessary to interrupt the implementation of the ISP, WT will notify DOE-OH of the interruption within those 10 business days, and DOE-OH will work with the appropriate HQ offices to resolve the problem.
3. Approval of this Plan constitutes approval for the implementation of the Plan elements whenever necessary so long as the following conditions apply:
  - a. Implementation of a VSP or an ISP will conform in all respects to the Plan as set forth in this document and approved by the Secretary of Energy (except for approved changes as addressed below).
  - b. The required notice (5 days for a VSP and 10 days for an ISP) will be provided to the appropriate person in each of the HQ offices named above. If it is necessary to interrupt the implementation of a VSP or an ISP, WT will notify DOE-OH within the required notice period.
  - c. If DOE-OH believes changes to the Plan are necessary, they will be reviewed, in advance of the need for implementation, by DOE FEMP, DOE-OH, EM, MA, GC, and CFO and will be approved by WT, or recommended by WT with concurrences from each of the HQ offices named and forwarded to the Secretary of Energy for approval, as required. Any subsequent VSP or ISP notices will be for the VSP or ISP as discussed in the approved, revised Plan.
  - d. Whenever the implementation of a VSP or ISP is interrupted as addressed in Item 2 above, DOE HQ and DOE-OH will work together to resolve the outstanding issues as expeditiously as possible prior to implementation of the affected Plan elements.

## ATTACHMENT B

### JOB ATTACHMENT TEST

*In Implementing the objectives of Section 3161, the Department recognizes a special responsibility to minimize the impact of work force restructuring on employees who maintained the Nation's nuclear deterrent during the Cold War. The Department recognizes September 27, 1991, the day the President announced the first unilateral reduction of the Nation's stockpile, as the end of the Cold War.*

*To identify employees who helped maintain our nuclear deterrent during the Cold War, and to determine eligibility for several of this Plan's benefits, workers should review the following criteria:*

#### **A. Regular Full-time and Regular Part-time Employees:**

1. Worked at a defense nuclear facility on or before September 27, 1991; and,
2. Worked full-time (or regular part-time) at a defense nuclear facility from that date through the date of separation.

#### **B. Construction Workers:**

1. Worked at a defense nuclear facility on or before September 27, 1991; and,
2. Worked at a defense nuclear facility within 180 days preceding the work force restructuring notification; and
3. Worked at a defense nuclear facility a total time, including time worked prior to September 27, 1991, equivalent to an employee having worked full-time from September 27, 1991 to the date of separation, or have actually worked the industry standard for full time from September 27, 1991, through the date of separation; and,
4. Affected by the announced restructuring within a one-year period. For an intermittent worker, this includes the interruption of a project before its anticipated completion, or the completion of the assignment or project without prospect for a follow-on assignment at the site where the employee had a reasonable expectation of a follow-on assignment.

ATTACHMENT C

[VSP Papers]

ATTACHMENT D

[ISP Papers]

## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

10/15 Employee suggests wording change on Page 3, paragraphs 1 and 2. Suggests changing the words “very real possibility” to “there is a possibility” and change “if funds are available” to “when funds permit”.

Also on page 4, paragraph 2, employee asks that the words outsourcing and privatization be more clearly defined.

#### **Response:**

**We believe the words as written depict the picture in a very realistic way. Things are changing —the way we do business, and the amount of dollars we have to do it with.**

10/15 Employee is concerned that Fluor Fernald (FF) wishes to shorten the clean-up period and believes that the methodology of looking at the skill mix in the next 6 to 12 months period is not in keeping with what has been agreed to previously. In “An End In Sight”, FF agreed to give employees a 2 year notice. Employee believes FF should be held to that agreement.

#### **Response:**

**An End in Sight does not establish a requirement that individual employees be given a 2-year notice of a specific termination. Rather, it provides that “contractors will assure that each worker is fully aware of the relationship of his or her specific job classification to the areas where reductions are planned within the next two years.” The goal is “to encourage those workers to use a contractor’s transition program to move toward new careers, thus avoiding an involuntary layoff where there is no continuity of employment.” Fluor Fernald has routinely communicated this type of information since 1997, giving employees accurate projections through the balance of the project. Fluor Fernald now has a manpower planning system that can more accurately project required skills, by quarter, through the balance of the project. This information should be very helpful to employees in anticipating reductions in the future and will provide even greater advance notice to employees.**

10/16 Employee asks if the Cold War Worker (CWW) classification applies to those who worked at Fernald as a subcontractor prior to September 1991.

#### **Response:**

**An employee is considered a Cold War Warrior if he or she has been employed continuously in a DOE facility since September 1991. Continuous service includes work as a subcontractor. If the continuous service was not with Fluor Fernald/WEMCO, the employee will need to provide employment verification from the subcontractor company in order to show continuous service.**

## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

10/16 Same as above

#### **Response:**

**See above.**

10/16 Employee believes that the change implements reductions that increase the impact on CWW and the surrounding community. "An End In Sight" was a part of the Request for Proposal and subsequent contract award. The employee asks that we consider the intent of the original plan that he/she believes to be to implement the requirements of the statute – minimize, not increase impact on worker and the community.

#### **Response:**

**DOE authored the "End In Site" to be used as a Closure Plan for Mound and Fernald four years ago. One change has already been made to the 1997 Plan for Mound and there may be a need for others. The Contract between DOE and Fernald is the controlling document. Our Transition Plans must be revised from time to time to follow the needs of the Project's work scope. The impacts are not targeted for any particular group and the DOE will always follow the requirements of any statute.**

10/16 Employee states that the majority of employees were hired by FF between July 1992 and January 1993. Ten years of service is required in order to be able to receive health care benefits. Employee asks if DOE/FF can design a package with an incentive that would allow employees to reach this eligibility.

#### **Response:**

**Only employees who are eligible for retirement are entitled to receive health care benefits, regardless of the number of years of service. An employee is eligible for normal retirement at age 65, regardless of the number of years of service. In order to be eligible for early retirement, an employee must be 55 years of age and have at least 10 years of service. The VSP is focused on skill categories that are decreasing. As such, the benefits are focused on eligible employees in identified classifications.**

10/17 Employee concern is in regards to the language in the General Release and Waiver relative to a Voluntarily separated employee being restricted from working at a DOE facility under the Ohio Field Office (OH). Specific questions asked are, a) obtaining work at another DOE facility that is not part of the OH appearing to be acceptable – employee wants it to be identified as such, and b) obtaining employment at a parent company that has work in the OH area, but not in the role of providing support to the DOE-OH operations appears to be acceptable and should be identified as such.

## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

#### **Response:**

**The General Release and Waiver is a document that every DOE site must use in their Voluntary Separation Plans. An exception may be approved on the basis of skills that are critically needed. This exception is a part of the Fernald VSP packet. The DOE has no say about whom a parent company can or cannot hire or where their location may be as long as they do not provide support to the DOE. It is not the DOE's policy to pay severance to someone to voluntarily leave their job and to rehire them with DOE money.**

10/17 Employee asks two (2) questions.

1. The "An End In Sight" addressed both Mound and Fluor Fernald. Why does the Draft Plan only address Fluor Fernald?
2. The 2-year notice for reductions in job classifications has been reduced to 90 days with no job "preference" or training within site. How does this happen and employee states he/she doesn't understand the concept of keeping a subcontractor to do the same work that a "cold war worker" does and gets laid off from.

#### **Response:**

**The Draft Plan you address is a change to the "An End In Sight" Plan and is only for Fluor Fernald employees. A change to the 1997 "End In Sight" was written for the Mound employees earlier on the occasion of the awarding of a new Prime Contract. As stated earlier, the "End In Sight" was written four years ago, and since change is constant, DOE may need to write additional changes as we progress with the cleanup of the two sites.**

**The same theory applies to the change in the notification period from 2 years to 90 days. The VSP that included that element has been completed and we are now faced with the need for a reduction in a time frame that does not allow for the 2-year time frame. The intent behind the entire process is to cleanup and close the sites.**

10/18 Clarify Item A.2 in Attachment B., Job Attachment Test. The questions is, does an approximate 2-year break in service make the employee ineligible as a CWW?

#### **Response:**

**An employee is considered a Cold War Warrior if he or she has been employed continuously in a DOE facility since September 1991. If there is a break in service, the employee is not eligible for Cold War Warrior benefits.**

## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

10/19 Employee is concerned over the “Function Manager” reviewing the list compiled by the Senior Management Team (SMT) for personnel to be reduced. Employee states it is not clear whom all of the function managers are. Also, how well is a function manager going to know each person in the various categories?

#### **Response:**

**Function Managers include those managers responsible for delivering discrete skills and services project-wide. The individual involved will be very knowledgeable about the skills required to do the work and be able to assess the applicability of individual skills.**

10/22 Employee stated that in December 1997 there was a workforce restructuring program that included a retirement incentive of 3 years of service plus 3 years of age to reach eligibility. Employee would like that option to be considered again.

#### **Response:**

**A retirement incentive was offered as one of the options in the 1995 Voluntary Reduction in Force (VRIF) to help meet the goals of that workforce restructuring effort, which was primarily budget-driven in nature. As the Fernald project progresses toward project completion, it now is in a position of implementing sustained, long-term reduction in staffing until closure, while maintaining the skills needed to complete required work as planned in the project baseline. Consequently, work force transition actions need to be focused on skill areas, rather than the employee population at large. Retirement incentives such as the one offered in 1995 do not focus on reducing specific skills.**

10/24 Question 1. Employee wishes clarification of the 6-month term – the basic question is “Is FF required to provide any heads up prior to an ISP?”

#### **Response:**

**DOE implementation of Section 3161 requires a work force restructuring plan whenever a planned change affects 100 or more employees at a site within a 12-month period. “An End in Sight” is such a work force restructuring plan. The Fernald Transition Plan updates “An End in Sight” and specifically requires Fluor Fernald to give DOE a 10-day notification of any ISP. DOE Guidelines (implemented in “An End in Sight”) require, where possible, a general notification to eligible employees 120 days prior to any involuntary separation. If the circumstances are such that the WARN Act applies, a 60-day notice to all employees who may be considered for involuntary separation (or pay in lieu of notice) would be required. If no other notice has been required or given, DOE guidance requires that employees be given “as much notice of involuntary separation as is practicable, but not less than 2 weeks or 2 weeks pay in lieu of notice.”**



## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

Question 2. Is FF taking action to reassign workers with needed skills or to retrain workers where practical as part of the workforce restructuring as stated under “Factors Driving Workforce”. Employee believes this action could avoid future staff augmentation.

#### **Response:**

**Fluor Fernald will reassign workers where practicable. In some situations, it is not feasible to retrain an individual for a short-term need, as the training required may exceed the duration of the need.**

Alternate second sentence for consideration (intended to be more general):

“In some situations, it may not be feasible to retrain an existing employee because of the training time required or the limited duration of the need.”

Comment 3. Employee states that if the “preferred strategy” for worker transition is voluntary transition of workers, then he suggests a VSP be for an entire fiscal year at normal transition benefits. The “program participation” adder could be for a short period to encourage employees to leave at a time advantageous to the company, DOE and the employee. Employee recommends the timing of the adder be in the April time frame believing it would provide adequate cost savings. He believes it would also eliminate employees “hanging on for next year’s vacation benefit” and the timing of “the summer off” could increase participation.

#### **Response:**

**In order to achieve the greatest cost benefit while minimizing the potential for involuntary reductions, it is more beneficial for employees to voluntarily depart early in the fiscal year. Keeping the VSP open for an entire year would not necessarily be cost efficient in that late-in-the-year departures would not achieve enough labor savings to pay for the transition benefit.**

Question 4. Bottom of page 6, there is a statement that reads, “Based upon employee’s evaluation and other objective criteria, FF will.... and select employees for involuntary separation”. Employee asks, “Is being a cold war worker one of the other objective and neutral criteria. If not, why not?”

#### **Response:**

**Cold War Warriors are entitled to specific benefits in case of an involuntary separation. The status of Cold War Warrior is not a criteria for skills assessment.**

## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

Another possible approach for consideration:

“To recognize the contributions of Cold War Warriors, Congress enacted a law which provides certain specified benefits to qualified Cold War Warriors who have been involuntarily separated. The benefits come into effect after an involuntary separation has occurred and do not include a preference for continued employment. The objective criteria used by Fluor Fernald to evaluate employees if an involuntary separation is necessary will be limited to an assessment of the skills required to most efficiently complete the remaining project work.”

Question 5. The VSP announcement states that the targeted VSP has a goal of 300 separations. What date will be used in determining the number of targeted separations? Will it be the start of FY 03? If not, what date will be used as the basis for ISP's in FY 02?

#### **Response:**

**The goal of this work force transition action is to match the staffing levels and skills to levels planned in the baseline starting October 1, 2002. A “goal” of up to 300 separations was set to accommodate this objective as well as give Fluor Fernald the flexibility to approve additional voluntary separations that did not impact the ability to complete project work.**

Question 6. Top of Attachment B references “Section 3151”. What is Section 3151 or should it be “3161”?

Corrected to read “3161”.

10/25 The commentor does not believe the Draft Plan should be implemented at all and lists 6 reasons for the objections:

1. The “An End In Sight” was written as a Closure Plan.
2. The 3161 portion of the statute for which “An End In Sight” was written states the requirement to “minimize the social impact to worker and local community. Employee believes the Draft Plan severely increases economic impact to both.
3. The “An End In Sight” provided a 3-month review and comment period. The Draft Plan allowed only 2 weeks.
4. The Draft Plan states DOE will post a summary of changes. Summary was never posted. Employee states “An End In Sight” was never made available to employees and stakeholders; therefore, a complete comparison could not be made.
5. FF is currently implementing a VSP under the Draft Plan. The Draft Plan calls for a 5-day notification to the Office of Worker and Community Transition prior to implementation and a 10-day notification of an ISP. Employee wishes to know if DOE is aware of this.

## ATTACHMENT E

### SUMMARY OF COMMENTS FROM EMPLOYEES AND STAKEHOLDERS TO THE DRAFT FLUOR FERNALD TRANSITION PLAN, CHANGE NO. 01-002

6. The "End In Sight" Plan states the contractor will assure workers of areas where specific job classifications will be reduced within the next 2 years for planning purposes. The Draft Plan reduces this window to an ISP within 6 months and the employee stated that the clock has already started according to the VSP presentation given on 10/22/01.

#### **Response:**

**The DOE believes there is a need for a change to the "End In Sight" for the Fernald site. As stated above, that Plan was written 4 years ago and many unforeseen changes have arisen. DOE has followed all of the requirements in the writing and the presenting of this document for comment. This may not be the last Change but it is one that DOE believes is needed at the current time.**

10/25 Employee's comments are regarding the General Release and Waiver and he/she make two (2) recommendations.

1. Only restrict the terminating employee from obtaining employment at the site from which he/she was terminated.
2. Leave the VSP open as it acts as an incentive for people to look for other employment.

#### **Response:**

**As stated above, the General Release and Waiver is a document that is required to be used at all DOE sites as written. There is one exception and that is a part of the VSP packet; however, that exception is not just for Fernald, but available to all sites that may need it because of the critical skills issues.**

**Leaving the VSP open is not an option. As seen previously around the DOE complex, a VSP does not always reach the targeted number required to be reduced and if not, an Involuntary Separation may need to be implemented.**